

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA**

IN RE:)	CHAPTER 11
)	
)	
Geo. W. Park Seed Co., Inc.,)	Case No. 10-02431-jw
et. al,)	
)	(JOINT ADMINISTRATION)
_____ Debtors.)	

REPORT OF SALE

DATE OF SALE: August 23, 2010

TYPE OF SALE: Public

PROPERTY SOLD: Real property in Greenwood County, South Carolina, equipment, inventory, intellectual property, contract rights, transferable permits, receivables, software, books and records, claims, marketing materials, goodwill, insurance policies, prepaid accounts, and any unlisted assets not specifically excluded in the Asset Purchase Agreement

PURCHASER: J&P Park Acquisitions Inc.

PRICE: \$8,264,096.00 cash consideration
\$12,319,865.00 total consideration (see attached Exhibit A)

SALES BROKER: SSG Capital Advisors, LLC ("SSG")

COMMISSION: \$400,000 (commission not based on percentage of sales proceeds) payable to SSG. The Chapter 11 Trustee's compensation is to be determined.

EXPENSES OF SALE: Pursuant to the Sale Order, all approved administrative claims are to be paid from the sales proceeds, which includes commissions and all other administrative claims (Paragraph 48 of the Sale Order).

DEBTOR'S EXEMPTION: None

LIENS ATTACHING TO PROCEEDS: See Exhibit B for a list of asserted liens against the proceeds.

NET TO ESTATE: The Trustee is still working to determine liens against the proceeds.

AMOUNT RETAINED BY TRUSTEE: The sales proceeds have not yet been distributed, and allocation is to be determined pursuant to a disclosure statement and plan.

September 20, 2010

By: /s/ Barbara George Barton
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EXHIBIT A

	Auction	At Close	Change	Comments
Purchase Price	\$8,099,000	\$8,099,000	\$0	
Liabilities Assumed or Paid Off				
Employee Vacation Accrual	\$113,373	\$113,373	\$0	
Merchandise Credit Liabilities/Non Current AR Credits	\$2,857,939	\$2,851,530	(\$6,409)	Blackstreet purchased \$132,418 of "non-current" AR, of which \$6,409 was collected prior to close.
Gift Card Liabilities	\$990,462	\$990,867	\$405	Gift Card liabilities increased by \$405 prior to close
Vendor Claims Assumed	\$500,000	\$500,000	\$0	
Explicit Commitment to Hire Employees	Yes - All	Yes - All	Yes - All	
Breakup Fee	NA	NA	NA	
Working Capital Adjustments (as of 8/18/10)				
Inventory Baseline	\$2,600,000	\$2,600,000	\$0	
Actual Inventory Delivered	3,015,373	3,019,941	4,568	Inventory increased by \$4,568 prior to close.
Slow Moving Inventory	(766,684)	(1,005,220)	(238,536)	The Company identified \$138,536 of inventory that was slow moving that was unintentionally excluded from the slow moving analysis in the Updated Schedules from 8/18; in addition, Blackstreet's accountants identified another \$143,000 of slow moving inventory that was previously excluded during the preparation of schedules. Blackstreet agreed to settle this issue for a \$100,000 credit.
Adjustment	(351,311)	(585,278)	(233,967)	
AR Baseline	1,000,000	1,000,000	0	
Actual Current AR Delivered	372,809	423,668	50,859	AR Increased \$26,014 prior to close; in addition, \$24,844.35 of the \$132,418 AR credits assumed by Blackstreet were "current", and were previously being "netted" against the current AR figure. Since the AR credits are now assumed, Net Current AR delivered has increased.
Adjustment	(627,191)	(576,332)	50,859	
Prepaid Baseline	300,000	300,000	0	
Actual Prepays (as of 8/24)	2,200,288	1,841,706	(358,582)	Prepays were lower than previously expected; this is offset by additional cash on the balance sheet at close.
Adjustment	\$1,900,288	\$1,541,706	(\$358,582)	
Credit for Merchandise Credits	(\$250,000)	(\$250,000)	\$0	
Credit for Paymentech Deposit	\$0	\$0	\$0	
Purchase of Somis Equipment		\$35,000	\$35,000	Blackstreet exercised its option to purchase certain equipment at Somis for \$35,000.
Total Adjustment	\$671,786	\$165,096	(\$506,690)	
Gross Cash Consideration @ Close (Excluding Somis)	\$8,770,786	\$8,264,096	(\$506,690)	
<i>Less Deposit</i>	<i>(400,000)</i>	<i>(400,000)</i>		
Net Cash Consideration	8,370,786	7,864,096	(506,690)	
Total Consideration (Including Assumption of Certain Liabi	\$12,832,560	\$12,319,865	(\$512,695)	

EXHIBIT B

EXHIBIT B – ASSERTED LIENS

<u>Creditor</u>	<u>Amount of Asserted Lien</u>
Wells Fargo Bank, N.A.	\$15,007,291.66 - \$20,680,544.49 ¹
Donald and Glenda Hachenberger	\$6,700,000.00 ²
C. Raker & Sons, Inc.	\$1,335,636.67
L.E. Cooke Company	\$3,336.55
Ridge Manufacturing Co., Inc.	\$2,375.93
Spring Valley Greenhouse, Inc.	\$8,766.42
The Plant Group, Inc.	\$100,086.37
Greenwood County Tax Assessor	\$302,993.58

¹ Wells Fargo Bank, N.A. filed proofs of claim against each of the five Debtors. The values on these Proofs of Claim range from \$15,007,291.66 to \$20,680,544.49. The collateral securing these claims consists of a portion of the property sold. Some of this amount is asserted to be a first priority lien against some of the assets sold.

² The mortgages and UCCs securing Donald and Glenda Hachenbergers' claims are in both parties' names. However, Donald Hachenberger has not been an active participant in these cases, and Glenda Hachenberger, individually, filed two Proofs of Claim for a total of \$6,700,000. The collateral securing these claims consists of a portion of the property sold. Some of this amount is asserted to be a first priority lien against some of the assets sold.